Closure of Branches of Hnduistan Commercial Bank

1365. SHRI RAOOF VALIULLAH: Will the Minister of FINANCE ,be pleased to state:

(a) whether it ig a fact that aU the 160 branches of the Hindustan Commericial Bank in the country have been closed down;

(b) if so, what alternate arrangements have been made by Government to help the customers and traders; and

(c) whether Government have received any representation to this effect; if so, what action has been taken thereon?

THE MINISTER OF STATE IN THE MINISTER OF FINANCE (SHRI JANARDHAN POOJARY): (a) and (b) On the recommendations of the Reserve Bank of India (RBD, an order of moratorium has oeen issued on the Hindustan Commercial Bank Ltd.^ Kanpur with effect from the close of business on May 24, 1986 and upto and inclusive of September 25, 1986. During fhe period of moratorium the branches of the Hindustan Comeroial Bank Ltd. numbering 143. are allowed to conduct only limited business. To avoid hardship to the customers of the bank, the bank has been permitted:—

(i) to allow withdrawal from deposit accounts amounts upto Rs. 10,000 in the case of individuals and Rs. 25,000 in the case of institutions subject to a maximum, of 50 per cent of the balance out-standing on the date of moratorium and provided that the Account holder is in no way indebted to the bank;

(ii) to allow operations of safe deposit lockers;

(i-'ii to make payments of drafts and pay orders issued by the bank and remaining unpaid on the date of moratorium;

(iv) to make payments of bills received for collection before the date of moratorium and realised before, on or after that date, and to return, bills remaining unrealised to the entitled persons on request' and

(v) to release the goods or securities pledged/hypothecated mortgaged/charged to the bank against loans etc., against full payment.

(c) The Reserve Bank of India has reported that representations from certain customers were received and the position has been clarified to them suitably.

Tax-free Public Bonds

1366. SHRI MAHENDRA PRASAD: SHRI MURLIDHAR CHANDRAKANT BHANDARE:

Will the Minister of FINANCE be pleased to state:

(a) whether a scheme for issue of a tax-free public bonds has been under consideration of Government;

(b) if so, what are the details of the scheme; and

(c) the amount sought to be raised through issue of these bonds?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI); (a) and (a) A copy of the Government press Release issued on 15th July, 1986 regarding the issue of "Tax Free" Bonds by Public Sector Enterprises is attached, (See below).

(c> It is estimated that about Rs. 1000 crores will be raised by issue of these bonds during the financial year 1986-87.

PRESS RELEASE

(Copy)

F. No. S. 11(16)-CCI ril)|86

Government of India

MINISTRY OF FINANCE Office of the Controller of Capital Issues.

Subject: Issue of "Tax Free" Bonds by Public Sector Enterprises.

Government had issued guidelines regarding floatation of bonds by pub-

lie sector undertakings in the Telecommunications and Power Sectors in the last financial year in the Budget Speech this year, the Finance Minister had announced that Government will introduce another series of public sector bonds with a tax free return.

2. In pursuance of this, it has been decided to allow Government, corporate bodies, as may be permitted by the Government, to issue bonds foi setting up of new projects, expansion or diversification of existing projects, capital expenditure for modernisation or for augmenting the resources of the company for working capital requirements, subject to Government's clearance. This series will be in addition to the earlier series of Power and Telecom Bonds.

3. In the new series the interest rate shall be upto a maximum of 10 per cent. The period' of redemption will normally be upto 10 years, which could be increased in suitable cases. However, the interest rate and period of redemption shall be approved by the Government on a case-by-case basis. The income from these bonds shall be completely free from income tax. The Bonds will be exempt from

• Wealth Tax without any limit. They will be transferable by endorsement and delivery. Decision on quantum etc will be taken by the Ministry of Finance on a case-by-case basis.

NEW DELHI; the 15th luly, 1986.

Redressal of Grievances of Beedi workers

1367. SHRIMATI RATAN KUMARI: Will the Minister of LABOUR be pleased to state:

(a) whether his Ministry has evolved any system for the redressal of bedi workers' grievances, problems and complaints;

(b) if so, what are the details therof;

(c) whither Government are aware of the indifferent attitude of Labour Inspectors towards the problems of beedi workers in Allahabad region especially in Gursahai Ganj, Farrukhabad; and

(d) if so, what steps Government propose to take to ensure effective tackling of beedi workers' problems by the Labour Inspectors?

THE MINISTER OF STATE OF THE MINISTRY OF LABOUR (SHRI P. A. SANGMA): (a) and (b) The grievances, problems and compIaints arising out of implementation 0f the welfare measures organised under the Beedi Workers Welfare Fund are reviewed by tripartite Committees. The Central Advisory Com-mittee and the State Advisory Committee have *inter alia,* an equal number of representatives from employers and employees. The Central Advisory Committee i- Chaired by the Union Labour Minister and the State Advisory Committees by State Labour Ministers.

The Beedi and Cigar Workers (Conditons of Employment) Act, 1966 was enacted to regulate ttK conditons of work etc. of beedi workers. The implementation of the Act rests with State Governments. However, the implementation of the Act is reviewed by a Cenral Tripartite Com-mittee under the Chairmanship of Union Labour Minister.

(c) and (d) No specific compIaints of this nature have come to Government's notice. Labour inspectors responsible for the enforcement of the Beedi and Cigar Workers (Conditons 0f Employment) Act, 1966 are under the State Governments.

News.item captioned "Advance Licensing scheme abuse unabated"

1368. SHRT BHAGATRAM MANHAR:

SHRI BTR BHADRA PRATAP SINGH:

Will the Minister of COMMERCE be pleased to state;

(a) whether Government's attention hag been drawn to the news item catpioned "Advance Licensing Scheme abuse unabated" which appeared in the Delhi edition of the 'Financial Expres' of the 5th May, 1986; and

(b) if so, what are the details thereof and what action is being taken by Government thereon?